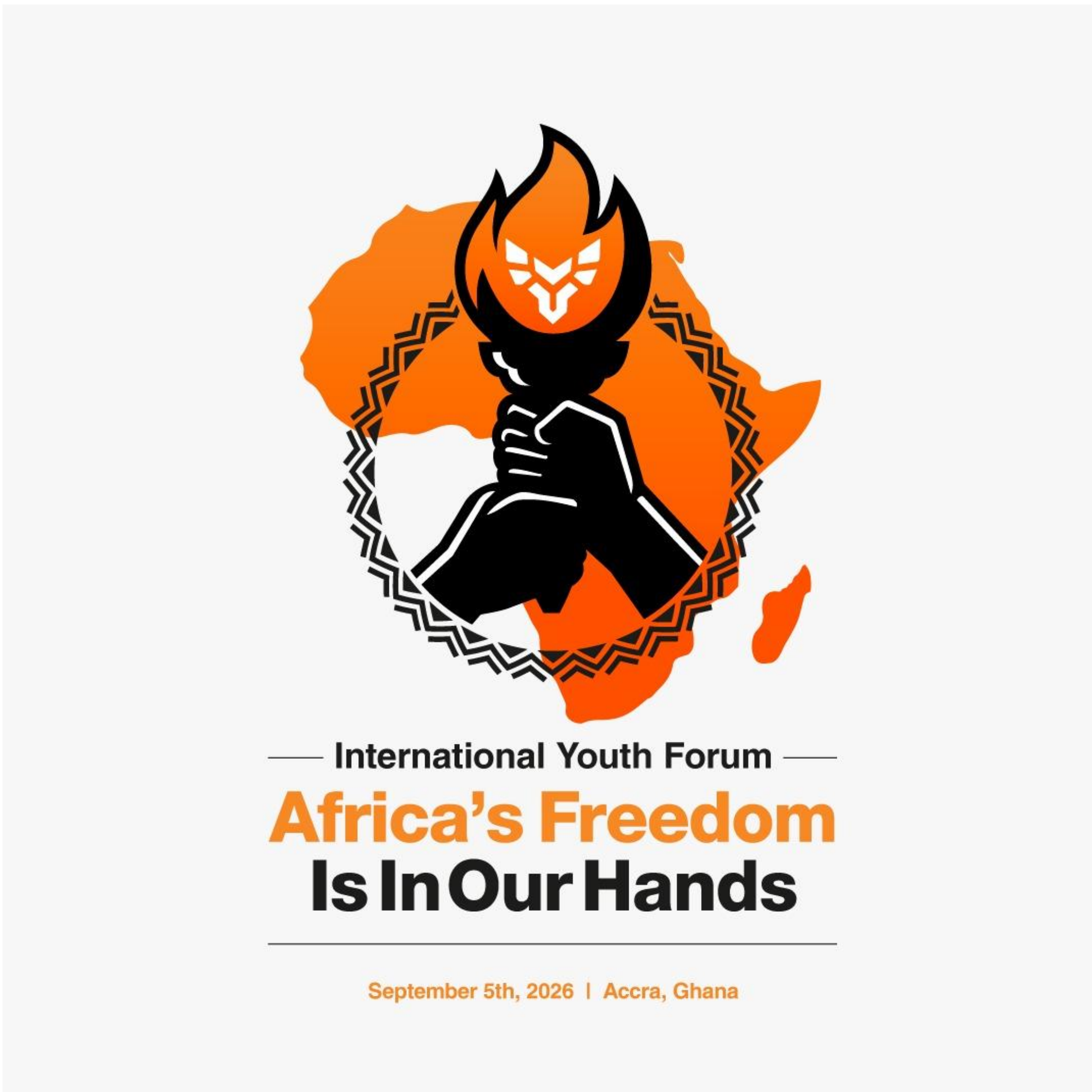
The Debt Trap:
Africa's Chains of Extraction

Debt Cancellation and Reparations — Ghana, the Sahel, and the Continent



Pan-African Progressive Front

POLITICAL EDUCATION SERIES

> *"Debt is a cleverly managed reconquest of Africa — a reconquest that turns each one of us into a financial slave."*
> — Thomas Sankara, Organisation of African Unity, 1987

Introduction

This is not debt in any neutral, technical sense. It is imperialism in its current form — what Kwame Nkrumah, writing in 1965, called neo-colonialism: the last stage of imperialism, in which formal independence is granted while economic command is retained.

Africa's governments now hand over more of their national revenue to foreign creditors than to the hospitals and schools their people depend on — and this is not the result of reckless borrowing. It is the deliberate design of a global financial system built, from the colonial era onward, to keep the continent's wealth flowing north.

This document sets out the numbers behind that system — in Ghana, across the Alliance of Sahel States, and across the continent — and the demands PPF and its allies, drawing on the work of scholars such as Tricontinental: Institute for Social Research, are raising to break it.

Key Numbers

$1 Trillion+ Africa's total external debt in 2024 — more than double the ~$500B owed in 2020 *UNDP, 2025*	**22** African countries in debt distress or at high risk of it *UNDP / UN, 2025*	**16.7%** Average share of government revenue African states spend on interest payments — the highest of any developing region *Institute for Economic Justice / LSE, 2025*

THE MECHANISM

How Debt Becomes a Weapon

1. The Colonial Inheritance

Much of Africa's early sovereign debt was contracted, or simply inherited, under colonial and immediate post-colonial arrangements designed to entrench dependency on the former colonial powers — debt as the continuation of plunder by other means.

2. Structural Adjustment: Sovereignty for Sale

IMF and World Bank lending has long been bundled with conditions — austerity, privatisation, tariff removal — that strip elected governments of the power to set their own economic policy. This is what Kwame Nkrumah named neocolonialism: control without occupation.

3. The Credit Rating Penalty

African governments are widely documented as paying a risk premium disproportionate to their actual default risk — a racialised bias estimated to cost the continent **$74.5 billion**, extracted before a single development project is funded.

4. Unequal Voting Power

Sub-Saharan Africa holds roughly **5% of IMF voting power** while carrying close to half of the Fund's loan book — the governed have no vote over their governors, a colonial relation dressed in the language of finance.

GHANA — THE EVIDENCE

Debt Servicing the Nation Into Austerity

Ghana is what Tricontinental scholars Grieve Chelwa and Vijay Prashad call a Faustian bargain: a nation that has returned to the IMF's table **seventeen times since independence**, each time trading a little more control over its own economy for a little more room to breathe. This is not crisis management. It is the ordinary operation of neo-colonial finance, closing the same trap again and again.

93% Ghana's public debt-to-GDP at its 2022 peak — the year the country defaulted *Ecofin Agency, 2025*	**70%** Share of Ghana's tax revenue absorbed by debt servicing at the height of the crisis, late 2022 *UNDP Ghana, 2023*	**$13B** Eurobonds restructured under the 2024–25 external debt deal, with haircuts of 30–40% *IMF / Ministry of Finance, 2025*

Ghana's Debt Crisis, in Five Dates

Dec 2022	Ghana defaults on external debt; the Domestic Debt Exchange Programme is launched, forcing domestic bondholders to accept restructured terms.
2023–25	IMF approves a $3.2B Extended Credit Facility; Ghana reaches final agreement with creditors and Eurobond holders on restructuring, with haircuts of 30–40%.
2025–26	Debt-to-GDP falls from its 93% peak toward 42%; Fitch upgrades Ghana's sovereign rating to B-. Government commits by law to a debt anchor of 45% of GDP by 2034.

> *"In 2023, for the first time on record, African governments as a group spent more servicing interest than they spent on education — austerity imposed from outside, paid for by the poor."*
> — Institute for Economic Justice / LSE Africa Blog, 2025

One Alliance, One Weapon of Extraction

$11.9B	$10.1B	$13.2B
Mali — Govt debt, 2024 (~52% of GDP)	Niger — (~57% of GDP), high risk of debt distress	Burkina Faso — Total public debt, Q1 2024 (~57% of GDP)
IMF/Statista; ext. debt ~$6.3B (2022, World Bank)	*World Bank, Jan 2025; projected $14.1B by 2029*	*Ministry of Economy; more than doubled since 2014*

Mali, Niger and Burkina Faso together carry a combined national debt of over $35 billion and rising — while sitting on some of the continent's richest gold and uranium reserves.

This is imperialism's arithmetic: for decades, the CFA Franc required their central banks to deposit half of their foreign reserves in the French Treasury, leaving sovereign states with command over less than a third of their own money. Niger supplies an estimated 25% of the EU's uranium while 90% of its people have no access to electricity. In 2013, Areva's global revenues were nearly twice Niger's entire GDP.

$35B+

Combined AES national debt (2024) — and rising by billions each year

The AES Breaks the Chain

Jan 2022	ECOWAS and UEMOA sanctions freeze Malian assets at the CFA central bank — monetary policy weaponised against a sovereign government.
2022–2023	Mali, Burkina Faso, and Niger expel French military forces. Defence agreements with France terminated across all three states.
Sept 2023	Alliance of Sahel States (AES) formally established under the Liptako-Gourma Charter.
Feb 2024	AES announces intention to exit the CFA franc zone and create a sovereign common currency.
Jan 2025	AES formally withdraws from ECOWAS. Common passport launched. New 0.5% external tariff regime adopted.
May 2025	AES Confederal Bank for Investment and Development (CBID) launches with 500 billion CFA francs — financing free of IMF/World Bank conditionality.

This section is a snapshot. For the full breakdown of how the CFA franc works, who profits from Sahelian uranium and gold, and the detailed political economy of the AES rupture with Paris, see PPF's companion document in this series:

“The CFA Franc: Africa's Last Colonial Chain” — Political Education Series, PPF.

Together, the two documents make the case that the CFA franc and the wider African debt trap are not separate problems — they are the same mechanism, operating at two scales.

THE CONTINENTAL TREND

Debt-to-GDP: A Decade of Doubling

Sub-Saharan Africa's average public debt has climbed relentlessly over the past decade — not because governments spent recklessly, but because a global financial architecture built on colonial foundations transmits every external shock (COVID-19, the Ukraine war, tightening Western monetary policy) directly onto economies it has kept structurally dependent on foreign borrowing.

Public Debt as a Share of GDP (2024–2025)

Ghana (2022 peak)		93%
Sub-Saharan Africa avg		60%
Burkina Faso		57%
Niger		57%
Mali		52%
Ghana (2025–26)		42%

30 of 49

African countries that now spend more on interest payments than on public health.

LSE / Institute for Economic Justice, 2025

WHO HOLDS THE POWER

Creditors, Conditions, and Control

Before 2000, most of Africa's external debt was owed to official creditors — the Paris Club and multilateral lenders such as the World Bank and IMF, instruments of the same powers that colonised the continent. That composition has since shifted toward China and private commercial creditors, but the underlying relation has not changed: African states are borrowers, never the ones who set the terms.

Country / Group	Metric	Figure
South Africa	Share of continent's external debt stock	**13.1%**
Egypt	Share of continent's external debt stock	**12.0%**
Nigeria	Share of continent's external debt stock	**8.4%**
Combined (SA + Egypt + Nigeria)	Share held by three states	**Over 1/3**
Burkina Faso external debt	Held by multilateral creditors (World Bank, IMF)	**88.4%**

> *"Sub-Saharan Africa's 5% share of IMF votes is not in line with its 50% share of the Fund's loans — a colonial echo."*
> — Paraphrased, Trevor Manuel report, via The Exchange Africa, 2025

THE CORE CONTRADICTION

Resource-Rich, Debt-Bound

Global capital is not shy about Africa. Investors queued up nine times over for African sovereign bonds in 2024, raising **$38 billion at high yields** — even as governments impose austerity at home to keep servicing what they already owe. Extraction abroad, austerity within: not a contradiction, but the system working as designed.

Africa's External Debt-Service Bill

$61B	$163B
2010	2024

Africa's external debt-service bill tripled from $61B (2010) to $163B (2024). Sources: African Development Bank; Afreximbank Research (2025).

3.4 Billion

People living in countries that spend more on debt interest than on health or education — a global figure Africa disproportionately drives.

UNDP, 2025

This is the same mechanism examined above at the AES level, operating at continental scale: wealth extracted, debt imposed, sovereignty constrained — imperialism, not misfortune.

OUR DEMANDS

Breaking the Chain

1. **Full cancellation** of illegitimate and odious debts across the continent — not restructuring on creditor terms that recreate dependency in a new form.
2. **Fair representation** for African states within the IMF and World Bank governing structures — proportionate to the share of the Fund's loan book they carry.

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3. **Reparations** that account for centuries of extraction — not new loans that recreate the dependency they claim to resolve.

JOIN THE CAMPAIGN

Youth Forum on Debt and Reparations

ISSER Conference Hall, University of Ghana · 5 September 2026

pp-front.com · panafricanprogressivefront@gmail.com

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